

Tuition Policy Options

1. TUITION RATES SET AS A PERCENT OF EDUCATIONAL COST

Pros:

- It is easy for students and parents to identify what level they are contributing towards education.
- Students pay for what they get; improvements, technology, etc.

Cons:

- Prior to the 1995-97 biennium, tuition was set as a percent of educational costs, but basis for costs was two years behind.
- Costs are measured imprecisely.

2. HIGH TUITION/HIGH AID

Pros:

- Higher Income students are not heavily subsidized by taxpayers
- Students may be encouraged to obtain general education credits in the CC system.

Cons:

- Lower income students may not pursue an education.
- Success is based on maintenance of "High Aid".

3. CHANGE TUITION TO RATES PER CREDIT HOUR

Pros:

- Revenues might increase because full-time students pay for up to 18 credit hours.
- Students might be more selective about which courses they would take and as a result, this may free up space and decrease time-to-degree.

Cons:

- Full-time students may be forced to reduce their credit load due to cost increase.

4. DIFFERENTIAL RATES FOR LOWER DIVISION/UPPER DIVISION

Pros:

- The lower division students pay proportionally more in tuition fees than it actually costs, while upper division students pay less
- It could be implied that lower division students receive less in education benefits due to larger class sizes and teaching assistants.
- This approach would encourage universities to offer more upper division classes and accept more CC transfers.

Cons:

- It would discourage continuance of education beyond an AA degree.
- Institutions argue that it is difficult to know when a student becomes an upper division student.

5. RATES BY PROGRAM OR MAJOR

Pros:

- Students in high-paying field or in a high-cost program pay higher tuition
- Low-cost program students do not subsidize high-cost program students

Cons:

- Low-income students might be discouraged from pursuing high-paying programs.
- There may be instances where the state has an interest in encouraging enrollment in a particular program or field, at the same time fees are discouraging such enrollment.

6. Market Driven Approach (peer or national rates)

Pros:

- Students can compare tuition fees with other states.
- Washington tuition rates are competitive with peer institutions.

Cons:

- Rates may be unpredictable and are subject to the economy or policies of other states.

7. SURCHARGE FOR CREDITS OVER DEGREE REQUIREMENTS

Pros:

- Potential to decrease time-to-degree
- More classes are available as students will limit "unnecessary" courses.

Cons:

- Multiple discipline study will be discouraged.
- Penalizes some transfer students, and those who change majors.

8. TUITION RATES INCREASE BASED ON INFLATION INDEX

Pros:

- Students and parents understand a basis for tuition increase.
- Increases are more predictable

Cons:

- Increase in general inflation indexes may not reflect real increase in higher education costs.
- There is no state official "higher education inflation index."

9. Non-Traditional Class time rates (later afternoon and/or night classes)

Pros:

- Increase utilization of classroom facilities.
- Students benefit from paying less tuition.
- It may reduce time to degree due to more classes will be offered.

Cons:

- Students' productivity may decrease.
- Faculty will have less time for other activities.

10. DIFFERENTIAL RATES PER INSTITUTION

Pros:

- Institutions have flexibility to adjust tuition pricing based on the market demand or cost by location.

Cons:

- It is unfair to students to pay differential tuition by location.
- It is more difficult to estimate tuition revenue.

11. SLIDING FEE SCALE BASED ON INCOME

PROS:

- It provides access to lower income students
- Direct financial aid will be lower.

Cons:

- Higher income students may go to private or out of state institutions
- It is difficult to arrive at a fairness scale.
- Higher income students subsidize lower income students.